

House File 2414

S-5121

1 Amend House File 2414, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, before line 1 by inserting:

4 <Section 1. Section 321.1, subsection 8, Code 2016,
5 is amended by adding the following new paragraphs:

6 NEW PARAGRAPH. *j.* A transportation network
7 company driver, as defined in section 321N.1, is not
8 a chauffeur.

9 NEW PARAGRAPH. *k.* A person operating a taxicab
10 having a seating capacity of less than seven passengers
11 and not operating on a regular route or between
12 specified points is not a chauffeur.

13 Sec. _____. Section 321.40, Code 2016, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 6A. *a.* The department or the
16 county treasurer shall refuse to renew the registration
17 of a vehicle registered to an applicant if the
18 department or the county treasurer knows that the
19 applicant has not paid a civil penalty imposed on the
20 applicant pursuant to section 321N.2, subsection 2A.
21 An applicant may contest this action by requesting a
22 contested case proceeding from the department. The
23 department shall notify the county treasurers through
24 the distributed teleprocessing network of persons who
25 have not paid such civil penalties.

26 *b.* The county treasurer of the county of an
27 applicant's residence and in which the applicant's
28 vehicle is registered, in cooperation with the
29 department, may collect a civil penalty imposed on
30 the applicant pursuant to section 321N.2, subsection
31 2A, when the applicant applies for renewal of a
32 vehicle registration. The applicant may remit full
33 payment of the civil penalty, along with a processing
34 fee of five dollars, to the county treasurer at the
35 time of registration renewal. Upon full payment

1 of the civil penalty, the processing fee, and the
2 vehicle registration fee, the county treasurer shall
3 issue the registration to the applicant. A county
4 treasurer collecting a civil penalty on behalf of
5 the department pursuant to this subsection shall
6 update the vehicle registration records through the
7 distributed teleprocessing network on a daily basis for
8 all applicants who have paid civil penalties pursuant
9 to this subsection. A county treasurer shall forward
10 all funds collected on behalf of the department to the
11 department.

12 Sec. _____. Section 321.236, subsection 7, Code 2016,
13 is amended to read as follows:

14 7. Licensing and regulating the operation of
15 vehicles offered to the public for hire and used
16 principally in intracity operation, except to the
17 extent such licensure and regulation conflicts with
18 section 321.241, section 321N.10, section 325A.6, or
19 any other provision of the Code.

20 Sec. _____. NEW SECTION. **321.241 Regulation of**
21 **taxicabs by local authorities — limits.**

22 1. A local authority shall not enact, enforce,
23 or maintain any ordinance, regulation, or rule that
24 imposes a requirement on a person operating a taxicab
25 having a seating capacity of less than seven passengers
26 and not operating on a regular route or between
27 specified points that is more restrictive than any of
28 the following:

29 a. Requiring the person to have a driver's license
30 valid for the operation of the motor vehicle used as
31 a taxicab that is not an instruction permit, special
32 instruction permit, or temporary restricted license.

33 b. Prohibiting the person from operating the
34 taxicab if any of the following apply:

35 (1) The person is restricted to operating motor

1 vehicles equipped with an ignition interlock device.

2 (2) The person's driving privileges have been
3 suspended, revoked, barred, canceled, denied, or
4 disqualified in the prior three-year period.

5 (3) The person has been convicted of more than
6 three moving violations in the prior three-year period.

7 (4) The person has been convicted of violating
8 section 321.218, 321.277, or 321J.21, or section
9 321A.32, subsection 1, in the prior three-year period.

10 (5) The person has been convicted in the prior
11 seven-year period of a felony, of violating section
12 321J.2 or 321J.2A, or of any crime involving resisting
13 law enforcement, dishonesty, injury to another person,
14 damage to the property of another person, or operating
15 a vehicle in a manner that endangers another person.

16 (6) The person is registered on the national sex
17 offender registry.

18 2. A local authority shall not enact, enforce,
19 or maintain any ordinance, regulation, or rule
20 that requires a corporation, partnership, sole
21 proprietorship, or other entity that sells or offers
22 for sale transportation by taxicabs having a seating
23 capacity of less than seven passengers and not
24 operating on a regular route or between specified
25 points to maintain a physical place of business in
26 the local authority's jurisdiction as a condition
27 of operating such taxicabs in the local authority's
28 jurisdiction.

29 Sec. _____. Section 321.446, subsection 4, paragraph
30 c, Code 2016, is amended to read as follows:

31 c. If a child under fourteen years of age, or a
32 child fourteen years of age or older who is unable
33 to fasten a seatbelt due to a temporary or permanent
34 disability, is being transported in a taxicab or in a
35 personal vehicle operated by a transportation network

1 company driver, as defined in section 321N.1, in a
2 manner that is not in compliance with subsection 1 or
3 2, the parent, legal guardian, or other responsible
4 adult traveling with the child shall be served with a
5 citation for a violation of this section in lieu of
6 the taxicab operator or transportation network company
7 driver. Otherwise, if a passenger being transported
8 in the taxicab or in a personal vehicle operated by
9 a transportation network company driver is fourteen
10 years of age or older, the citation shall be served
11 on the passenger in lieu of the taxicab operator or
12 transportation network company driver.>

13 2. Page 1, after line 3 by inserting:

14 <01. "Department" means the state department of
15 transportation.>

16 3. Page 1, line 5, by striking <software,>

17 4. Page 1, line 9, after <a> by inserting
18 <noncommercial>

19 5. Page 2, after line 16 by inserting:

20 <Sec. _____. NEW SECTION. 321N.1A Permit required —
21 examination of records — sanctions.

22 1. A transportation network company shall not
23 operate or conduct business in this state without a
24 permit issued pursuant to this section.

25 2. a. Upon the filing of an application by a
26 transportation network company with the department and
27 a determination by the department that the company is
28 in compliance with the provisions of this chapter, the
29 department shall issue a permit to the company. An
30 application filed pursuant to this section shall be in
31 writing and shall contain all of the following:

32 (1) The full legal name and tax identification
33 number of the applicant.

34 (2) The address of the applicant's principal place
35 of business.

1 (3) A statement agreeing to comply with all
2 applicable requirements of this chapter signed by the
3 applicant.

4 (4) Proof of compliance with the financial
5 responsibility requirements of section 321N.3,
6 submitted in a manner prescribed by the department.

7 (5) Proof that the applicant has established a
8 zero tolerance policy for the use of drugs and alcohol
9 as provided in section 321N.2, submitted in a manner
10 prescribed by the department.

11 (6) Proof that the applicant requires personal
12 vehicles to comply with applicable motor vehicle
13 equipment requirements as provided in section 321N.2,
14 submitted in a manner prescribed by the department.

15 (7) Proof that the applicant has adopted and is
16 enforcing nondiscrimination and accessibility policies,
17 submitted in a manner prescribed by the department.

18 (8) Proof that the applicant has established
19 record retention guidelines, submitted in a manner
20 prescribed by the department, that comply with all of
21 the following:

22 (a) A record of a prearranged ride shall be
23 retained for at least six years after the date the
24 prearranged ride was provided, unless the company is
25 notified that the record is material to a judicial
26 proceeding, in which case the record shall be retained
27 for at least two years after final disposition of the
28 judicial proceeding.

29 (b) A record of a transportation network company
30 driver shall be retained for at least six years after
31 the date on which the driver's activation on the
32 company's digital network ended, unless the company
33 is notified that the record is material to a judicial
34 proceeding, in which case the record shall be retained
35 for at least two years after final disposition of the

1 judicial proceeding.

2 *b.* The permit application shall be accompanied by a
3 fee of five thousand dollars. All fees received by the
4 department for permits issued pursuant to this section
5 shall be paid monthly to the treasurer of state and
6 deposited in the road use tax fund.

7 3. A permit issued pursuant to this section shall
8 be valid for one year after the date of issuance.

9 4. The department may deny issuance of a permit if
10 the department determines, and evidence demonstrates,
11 that the applicant is not in compliance or is unable to
12 comply with the provisions of this chapter.

13 5. The department may examine the records of a
14 transportation network company for the purpose of
15 enforcing this chapter. The examination may include
16 a random sample of the company's records related to
17 transportation network company drivers and prearranged
18 rides. The examination shall take place at the
19 department's motor vehicle division building unless
20 another location is agreed to by the department and
21 the company. Such examinations shall not occur more
22 than twice per year unless additional examinations are
23 necessary to investigate a complaint. Records obtained
24 by the department pursuant to this subsection are not
25 public records or otherwise subject to disclosure
26 under chapter 22, and shall be kept confidential by the
27 department except to the extent such records may be
28 required to be disclosed in a departmental or judicial
29 proceeding.

30 6. The department may suspend the permit of a
31 transportation network company for a violation of this
32 chapter or a rule adopted under this chapter until the
33 company demonstrates to the department that the company
34 is in compliance with the applicable requirements. The
35 department may revoke the permit of a transportation

1 network company for continued noncompliance with this
2 chapter or a rule adopted under this chapter.

3 7. A transportation network company whose
4 application for a permit has been denied, or whose
5 permit has been suspended or revoked, shall have
6 all rights afforded to the company under chapter 17A
7 and rules adopted by the department to contest the
8 department's decision.

9 8. The department may adopt rules pursuant to
10 chapter 17A to administer this section.>

11 6. Page 2, line 32, after <rides,> by inserting
12 <proof of financial liability coverage, as defined
13 in section 321.1, subsection 24B, covering the
14 individual's use of the personal vehicle,>

15 7. Page 2, line 33, by striking <driver> and
16 inserting <individual>

17 8. Page 3, after line 5 by inserting:

18 <d. Obtain a disclosure form signed by the
19 individual notifying the individual of all of the
20 following:

21 (1) If a lien exists against a personal vehicle
22 the individual intends to use while acting as a
23 transportation network company driver, the individual
24 is required to notify the lienholder within the
25 seven-day period prior to using the vehicle for such
26 purposes that the individual intends to use the vehicle
27 for such purposes.

28 (2) If the individual is not the owner of the
29 personal vehicle the individual intends to use while
30 acting as a transportation network company driver,
31 the individual is required to notify the owner of the
32 vehicle within the seven-day period prior to using the
33 vehicle for such purposes that the individual intends
34 to use the vehicle for such purposes and that the
35 owner's automobile insurance policy, depending on the

1 policy's terms, may not provide any coverage while
2 the individual is logged on to the company's digital
3 network and is available to receive requests for a
4 prearranged ride, or while the individual is engaged in
5 a prearranged ride.

6 (3) Failure to notify a lienholder or an owner
7 pursuant to this paragraph "d" shall result in the
8 imposition of a civil penalty as provided in subsection
9 2A.

10 2A. If an individual fails to notify a lienholder
11 or an owner pursuant to subsection 2, the department
12 shall assess a civil penalty against the individual in
13 the amount of two hundred fifty dollars. All moneys
14 collected by the department pursuant to this subsection
15 shall be paid monthly to the treasurer of state and
16 deposited in the road use tax fund.>

17 9. Page 3, after line 8 by inserting:

18 <0a. The individual does not have a driver's
19 license valid for the operation of the personal
20 vehicle. A driver's license valid for the operation of
21 the personal vehicle shall not include an instruction
22 permit, special instruction permit, or temporary
23 restricted license.

24 00a. The individual is restricted to operating
25 motor vehicles equipped with an ignition interlock
26 device.

27 000a. The individual's driving privileges have
28 been suspended, revoked, barred, canceled, denied, or
29 disqualified in the prior three-year period.>

30 10. Page 3, line 10, after <violations> by
31 inserting <in the prior three-year period>

32 11. Page 3, after line 21 by inserting:

33 <0e. The individual is not at least nineteen years
34 of age.>

35 12. Page 4, by striking lines 25 through 31 and

1 inserting <destruction of property of others in any one
2 accident.>

3 13. Page 5, by striking lines 12 through 17 and
4 inserting <destruction of property of others in any one
5 accident.>

6 14. Page 8, lines 16 and 17, by striking <parties
7 directly involved in the claim> and inserting <one
8 another>

9 15. Page 8, after line 25 by inserting:

10 <Sec. _____. NEW SECTION. 321N.6 Identification of
11 drivers and vehicles.

12 Before a transportation network company rider
13 enters the personal vehicle of a transportation network
14 company driver, the transportation network company
15 shall disclose all of the following information to the
16 rider on the company's digital network:

17 1. A picture that prominently displays the face of
18 the driver.

19 2. The make, model, and registration plate number
20 of the personal vehicle used by the driver.

21 Sec. _____. NEW SECTION. 321N.7 Electronic receipt.

22 Within a reasonable period of time following
23 the completion of a prearranged ride provided
24 to a transportation network company rider, the
25 transportation network company shall transmit an
26 electronic receipt to the rider containing all of the
27 following information:

28 1. The origin and destination of the trip.

29 2. The total time and distance of the trip.

30 3. An itemized account of the total fare paid by
31 the rider, if any.

32 Sec. _____. NEW SECTION. 321N.8 Street hails
33 prohibited.

34 A transportation network company driver shall not
35 solicit or accept riders hailing the driver from the

1 street.

2 Sec. _____. NEW SECTION. 321N.9 Disclosure of
3 personal information.

4 1. A transportation network company shall not
5 disclose a transportation network company rider's
6 personal information to a third party unless the rider
7 consents to the disclosure, the disclosure is required
8 by law, the disclosure is required to protect or defend
9 the terms of use of the company's services, or the
10 disclosure is required to investigate a violation
11 of the terms of use. For purposes of this section,
12 "*personal information*" includes but is not limited to
13 the rider's name, home address, telephone number, and
14 payment information.

15 2. Notwithstanding subsection 1, a transportation
16 network company may disclose a rider's name and
17 telephone number to the driver providing a prearranged
18 ride to the rider in order to facilitate the
19 identification of the rider by the driver, or to
20 facilitate communication between the rider and the
21 driver.

22 Sec. _____. NEW SECTION. 321N.10 Regulation by
23 political subdivisions prohibited — exception.

24 1. a. Except as otherwise provided in this
25 section, transportation network companies,
26 transportation network company drivers, and personal
27 vehicles, in the course of their operation pursuant
28 to this chapter, shall be exclusively controlled,
29 supervised, and regulated by the department in
30 accordance with this chapter.

31 b. Except as otherwise provided in this section,
32 no provision of this chapter shall be construed to
33 authorize a political subdivision of the state to
34 enact an ordinance regulating transportation network
35 companies, transportation network company drivers, or

1 personal vehicles operated pursuant to this chapter.

2 2. No provision of this chapter shall be construed
3 to limit the rights and powers of a commercial service
4 airport, as defined in 49 U.S.C. §47102, to do any of
5 the following:

6 a. Regulate the operation of motor vehicles on
7 the airport's premises in accordance with rules,
8 regulations, and policies adopted for the orderly use
9 of the airport.

10 b. Establish, alter, and collect rates, fees,
11 rental payments, or other charges for the use of the
12 airport's services and facilities.>

13 16. Page 9, after line 9 by inserting:

14 <Sec. _____. Section 325A.2, subsection 2, Code 2016,
15 is amended to read as follows:

16 2. A local authority, as defined in [section 321.1](#),
17 shall not impose any regulations, including special
18 registration or inspection requirements, upon the
19 operation of motor carriers that are more restrictive
20 than any of the provisions of [this chapter](#), or section
21 321.449 or [321.450](#). [This subsection](#) does not, however,
22 prohibit a local authority from exercising the home
23 rule power of the local authority to impose additional
24 or more restrictive regulations or requirements upon
25 the operation of taxicabs or limousines engaged in
26 nonfixed route transportation for hire, except to the
27 extent such regulations or requirements conflict with
28 section 321.241, section 325A.6, or any other provision
29 of the Code.

30 Sec. _____. Section 325A.6, Code 2016, is amended to
31 read as follows:

32 **325A.6 Insurance.**

33 1. All Except as provided in subsection 2, all
34 motor carriers subject to [this chapter](#) shall have
35 minimum insurance coverage which meets the limits

1 established in the federal motor carrier safety
2 regulations in 49 C.F.R. pt. 387.

3 2. All motor vehicles providing taxicab services,
4 having a seating capacity of less than seven
5 passengers, and not operating on a regular route
6 or between specified points shall maintain primary
7 automobile insurance in the amount of at least one
8 million dollars because of bodily injury to or death
9 of one or more persons and injury to or destruction of
10 property of others in any one accident. A political
11 subdivision of the state shall not enact an ordinance
12 requiring insurance coverage for such vehicles in
13 an amount different than the amount required by this
14 subsection.>

15 17. Page 9, after line 33 by inserting:

16 <Sec. _____. LOCAL ORDINANCES VOID — VALIDITY OF
17 PROCEEDINGS. On January 1, 2017, all local ordinances,
18 regulations, and rules not consistent with this Act are
19 void. However, this Act shall not affect the validity
20 of any proceeding brought or punishment imposed prior
21 to January 1, 2017, for a violation of such a local
22 ordinance, regulation, or rule.

23 Sec. _____. EFFECTIVE DATE. This Act takes effect
24 January 1, 2017.>

25 18. Title page, line 2, after <companies> by
26 inserting <and taxicabs, providing penalties>

27 19. Title page, line 2, after <including> by
28 inserting <effective date and>

29 20. By renumbering, redesignating, and correcting
30 internal references as necessary.

TOD R. BOWMAN